



State of New Jersey

**DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES**

SAUL M. KILSTEIN
DIRECTOR

QUAKERBRIDGE PLAZA
CN 712
TRENTON, NEW JERSEY 08625-0712

MEDICAID COMMUNICATION NO. 91-7

DATE: February 13, 1991

TO: County Welfare Agency Directors

SUBJECT: Adolescent Parent Deeming

REFERENCE: New Jersey Care Manual; N.J.A.C. 10:72-4.3
Assistance Standards Handbook; N.J.A.C. 10:82-3.14

Adolescent parent deeming (also known as grandparent deeming) is a process by which the income of the parents of a teenage parent is attributable to the determination of AFDC and Medicaid eligibility of a teenage parent and his or her child. The policy is delineated in the Assistance Standards Handbook (see N.J.A.C. 10:82-3.14).

Based upon recent correspondence with the Office of the Attorney General and the Health Care Financing Administration, this is to advise that, effective immediately, adolescent parent deeming shall no longer be used in the determination of New Jersey Care eligibility for the child of an adolescent parent. (There is no change in the applicability of adolescent parent deeming for cash assistance purposes.) The parent of such a child shall be included in the household unit and the actual countable income of that unit shall be used in determining income eligibility. No income of the child's grandparents shall be deemed to the household unit.

In the event eligibility is sought for both the child and the adolescent parent (as a pregnant woman) and they live with the adolescent parent's parents, eligibility will be a two step process. The child's eligibility will be determined without regard to the grandparent's income. However, in determining the income eligibility of the adolescent parent, the household unit size will remain the same but the income of the adolescent parent's parents will be deemed available to the pregnant woman in accordance with N.J.A.C. 10:82-3.14.

Example:

Ms. B, who is 17 and pregnant, receives \$470 monthly in unemployment benefits. She and her one-year old son reside with her parents and no

other persons. Her mother is unemployed but her father earns \$1,400 per month.

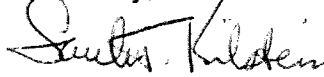
Ms. B's son is income eligible for New Jersey Care because the household unit's income of \$470 is less than the income standard for a household of 3; \$880.

Ms. B is ineligible as a pregnant woman because, after disregards, \$1,003 of her father's earnings are deemed to be available to her household unit. Her total countable income, including that which is deemed to her, of \$1,403 exceeds the New Jersey Care standard for a household of three.

This policy is being communicated to the Division of Economic Assistance. That Division will communicate with your agencies concerning the application of this policy relative to Medicaid Special eligibility and potential eligibility of children losing AFDC because of adolescent parent deeming.

This communication should be brought to the attention of appropriate staff. Questions should be referred to the field service staff assigned to your county.

Sincerely,

A handwritten signature in dark ink, appearing to read "Saul M. Kilstein", written in a cursive style.

Saul M. Kilstein
Director

SMK:RHH

cc: Marion E. Reitz, Director
Division of Economic Assistance

Nicholas Scalera, Acting Director
Division of Youth and Family Services